

Estate of Chemetco, Inc.

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December 9, 2011

Erin Rednour
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Illinois EPA RPMS/BOL
1021 North Grand Avenue East
Springfield, IL 62794-9276

James L. Morgan
Assistant Attorney General
Environmental Bureau
500 Second Street
Springfield, IL 62706

Re: **Monthly Status Report (December, 2011)**
Interim Order (Civil Case No.00-cv-670-DRH-DGW
00-cv-670-DRH (consolidated))

Dear Mrs. Rednour and Mr. Morgan:

As requested in the joint motion to extend the Interim Order, this letter documents the progress by the Bankruptcy Estate of Chemetco, Inc. ("Estate") during the month of November under the approved work plans; (Demolition Work Plan, Scrap Metal Work Plan, Copper Furnace Cleanup Solids, Scrubber Sludge Work Plan, etc) as indicated in the Extended Interim Order. It should be noted that the Interim Order has been extended through February 1, 2012.

Demolition Work Plan

Demolition of the Foundry building is beginning to wind down with end of December as a tentative date for completion. Currently the following materials were generated and sold for recycling during the month of November.

- 52 containers of scrap metal (~58 tons) from the demolition of the foundry building were loaded and shipped to Grossman Steel out of St. Louis.
- 1 container of Stainless Steel (~21.7 tons) from the AAF area was loaded and shipped to Hi-lite international out of California.

Scrap Metal Work Plan

The Estate of Chemetco did not generate nor gathered any scrap metal that could be used for recycling during the month of October.

Scrubber Sludge Work Plan

Loading of the Scrubber Sludge mixed with fines began on October 28, 2011. Fred Weber Company is performing the loading of Scrubber Sludge material into 1 Metric Ton Supersacks. The bags are then loaded in 20 ft steel sealed containers and shipped internationally to China. It should be noted that the Scrubber Sludge Material is being sold to H&H Metals and California Metals & Alloys Corp.

- 21 containers of Scrubber Sludge and Scrubber Sludge mixed with fines (~422 Metric Tons) were loaded and shipped internationally and sold to California Metals & Alloys Corp.
- 36 containers of Scrubber Sludge and Scrubber Sludge mixed with fines (~715 Metric tons) were loaded and shipped internationally and sold to H&H Metals.

It should be noted that the Metric Tons are gross ton weight and includes the tare weight for bulkhead and supersack bags.

Scheduled Action Items for Next Month**Demolition Work Plan Activities.**

AIS will continue with the demolition of the Foundry Building, some cleanup of the AAF area, and prepping for the upcoming demolition of the Bag house unit. Both activities will generate additional scrap metal. AIS expect to continue cutting and preparing the scrap metal and sold for recycling. Demolition activities are estimated to be approximately 80-90 % complete, and are expected to be completed by the end of December

A question was raised regarding the temporary storage of hazardous material. Steel 40 and 20 cubic yard (CY) containers were used to dispose of hazardous material debris that was generated as part of the demolition activities. The containers are temporarily stored on site (within the allowed 90-day storage) and then the containers are picked up for proper disposal. Since July

2011, 27 containers have been delivered on site. One container was disposed in October, and nine containers were disposed of in November. It should be noted that all the containers have been disposed within the allowed storage time.

The Summary Table below summarizes the number of containers on site, and schedule of when the remaining containers are expected to be picked up and disposed of.

<u>Number of bins</u>	<u>Accumulation Start Date</u>	<u>Description</u>	<u>Bin Number</u>	<u>90 Day Temp Storage Date</u>	<u>Manifest #</u>	<u>Date Picked Up</u>	<u>Status</u>	<u>Expected Ship Month</u>
1	7/27/2011	40 Yard Bin,	4097	10/25/2011	000440784WAS	10/25/11	Shipped	October
2	8/18/2011	40 Yard Bin,	4088	11/16/2011	000440785WAS	11/9/11	Shipped	November
3	8/19/2011	40 Yard Bin,	40170	11/17/2011	000440786WAS	11/10/11	Shipped	November
4	8/25/2011	40 Yard Bin,	4029	11/23/2011	000440787WAS	11/11/11	Shipped	November
5	8/26/2011	40 Yard Bin,	40130	11/24/2011	000440788WAS	11/14/11	Shipped	November
6	8/26/2011	40 Yard Bin,	40101	11/24/2011	000440789WAS	11/15/11	Shipped	November
7	8/29/2011	20 Yard Bin,	2066	11/27/2011	000440790WAS	11/16/11	Shipped	November
8	8/29/2011	20 Yard Bin,	20300	11/27/2011	000440791WAS	11/17/11	Shipped	November
9	8/30/2011	40 Yard Bin,	40124	11/28/2011	000440792WAS	11/17/11	Shipped	November
10	8/31/2011	40 Yard Bin,	4042	11/29/2011	000440793WAS	11/17/11	Shipped	November
11	9/19/2011	40 Yard Bin,	40109	12/18/2011			Pending	December
12	10/19/2011	40 Yard Bin,	40006	1/17/2012			Pending	January
13	10/20/2011	40 Yard Bin,	4025	1/18/2012			Pending	January
14	11/2/2011	40 Yard Bin,	40118	1/31/2012			Pending	January
15	11/2/2011	40 Yard Bin,	4039	1/31/2012			Pending	January
16	11/4/2011	40 Yard Bin,	40108	2/2/2012			Pending	February
17	11/4/2011	40 Yard Bin,	4074	2/2/2012			Pending	February
18	11/4/2011	40 Yard Bin,	40137	2/2/2012			Pending	February
19	11/7/2011	20 Yard Bin,	20463	2/5/2012			Pending	February
20	11/15/2011	40 Yard Bin,	40173	2/13/2012			Pending	February
21	12/3/2011	40 Yard Bin,	40170	3/2/2012			Pending	March
22	12/3/2011	40 Yard Bin,	4042	3/2/2012			Pending	March
23	12/3/2011	40 Yard Bin,	40124	3/2/2012			Pending	March
24	12/3/2011	40 Yard Bin,	4088	3/2/2012			Pending	March
25	12/3/2011	40 Yard Bin,	40101	3/2/2012			Pending	March
26	12/3/2011	20 Yard Bin,	20854	3/2/2012			Pending	March
27	12/5/2011	40 Yard Bin,	4093	3/4/2012			Pending	March

Other Work Plan Activities

Scrubber Sludge

The Estate and Paradigm plan to continue loading the material during the month of December.

Copper Furnace Cleanup Solids

The Estate plans to collect an Assay sample from accumulated Copper Furnace Cleanup Solids (CFCS) that is currently located in the northwest corner area of the Foundry Building. The assay analytical sample results will be used to sell the material to interested buyers. The Estate has sold CFCS in the past to Aurubis, and/or will be probably sold to China.

Scrap Metals

The Estate does not anticipate selling additional scrap metal not associated with demolition activities during the upcoming month. The Estate estimates that approximately 70-80% of scrap metal has been sold for recycling.

Furnaces Removal Work Plan

Talks have resumed between Metallo and the Estate of Chemetco regarding the purchasing of the three-TBRC metal furnaces located in the foundry building. The Estate may begin revising and/or updating the existing Work Plan for the removal of the furnaces.

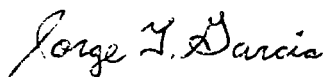
Circuitry Board and Shredded Board Material Work Plan

The Estate and Paradigm plans to submit a Circuitry Board and Shredded Board Material Work Plan to sell the material that is currently located west of the foundry building.

The next monthly progress report is due by the 10th of January. It should also be noted that as required by paragraph 34 of Section X. REPORTING REQUIREMENTS of the Interim Order, a quarterly progress report is also being submitted to IEPA and USEPA. If you have any questions, please do not hesitate to contact me at my office, 618/254-4381 x372 or by cell phone at 314-348-8211.

Sincerely

ESTATE OF CHEMETCO, INC.



Jorge Y. Garcia PG
EH&S Manager

CC: Michelle Kerr, USEPA Region 5 Superfund
Chris Cahnovsky, Regional Mgr, IEPA-Collinsville Office
Donald Samson, Trustee
Elliott Stegin, IAD/Paradigm
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